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## Governor Proposes Substantial TSAA Increase

The proposed budget completed by Governor Bredesen for 2008-09 includes an unprecedented 30 percent increase for the need-based Tennessee Student Assistance Award (TSAA) program. The support given by the state would increase from \$57.1 million for the current year to \$74.1 million for 2008-09. The increase would be funded through lottery revenues including interest earned on a \$200 million endowment to be established for TSAC by transferring nearly half of the funds currently in the lottery's reserve.

Naomi Derryberry, who heads up the TSAA program for TSAC, said she is thankful that the program could receive funds in the near future.

"I'm ecstatic that the TSAA program is being considered to receive additional funds," she said. "This program has given many low-income students the opportunity to attend school in Tennessee and to have more students receive this award has been a long standing goal of the TSAC staff."

Derryberry added that the increase would help thousands of students who apply after the Mar 1 application deadline.

Tim Phelps, Associate Director

for Grant and Scholarship Programs, shared the enthusiasm of Naomi, but cautioned to keep in mind that the appropriation process is still in its early stages.



"The Governor's budget is the starting point, but the legislature still needs to act on it," he said. "We are hopeful that the State Senate and House of Representatives will support Governor Bredesen's proposal."

Bob Ruble, Executive Director for TSAC, spoke on behalf of the Board of Directors in reaction to the proposal.

"We are very grateful to Governor Bredesen for recognizing this need and acting to improve college access for low-income Tennesseans," he said. "We know that resources will be scarce next year and the proposed increase for the TSAA program underscores the Governor's commitment to higher education."

## UPCOMING EVENTS & CONFERENCES

- ▶ 02/17/08 - 02/20/08  
SASFAA Conference  
Arlington, VA
- ▶ 02/26/08  
TSAC Training  
Christian Brothers Univ.  
Memphis, TN
- ▶ 02/27/08  
TSAC Training  
Lambuth University  
Jackson, TN
- ▶ 02/28/08  
TSAC Training  
Cumberland University  
Lebanon, TN
- ▶ 02/29/08  
Deadline for High School  
Counselor Internship  
Applications
- ▶ 02/29/08  
Deadline for Institutions  
High School Counselor  
Internship Applications
- ▶ 03/20/08  
TSAC Board of Directors  
Meeting  
Nashville, TN
- ▶ 03/30/08 - 04/02/08  
TASFAA Spring Conference  
Memphis, TN
- ▶ 06/18/08 - 06/20/08  
MASFAA Annual  
Conference  
Biloxi, MS

## Meet TSAC's Program Review Specialist, Sarah Miliam

**I**n order for a corporation to grow and be more productive it takes a combination of effort, dedication, and review on things done in the past. In order to look forward to the future, you must first evaluate the things previously done and improve upon them. One person striving to help TSAC move in the right direction is Sarah Miliam, TSAC's Program Review Specialist.

Sarah began her work in higher education with EdFinancial Services in Knoxville, Tenn. where she served a variety of positions including Customer Service Representative, Default Claims, and eventually overseeing a team of employees in the outbound call center.

Originally from Cleveland, Ohio, Sarah began her work at TSAC over a year ago and has played a major role in implementing successful procedures she has viewed at other locations across the state. She said her favorite aspect of working at TSAC is the opportunity to help improve the great programs already put in

place.

"I enjoy working at TSAC because it gives me the opportunity to travel and network with other agencies to make my position stronger," she said. She added that the knowledge she gains from other companies that have been around for a long time is an incredible benefit of her job.

On a personal note, Sarah enjoys spending time with her boyfriend Scott, who has managed to recruit her into being a West Virginia University football fan. She also enjoys spending time with who she likes to call her "two furry children", a white and orange cat named Phoebert, and a Jack Russell Terrier named Piper.

In her free time, she enjoys playing softball, exercising, and listening to every genre of music, except country, which she even views as odd considering she lives in the heart of Country Music U.S.A.

Most importantly, Sarah strives every day to make the process a little easier for young people striving to obtain funds for college.



### Comments from Sarah:

*As the first one in my family to attend college, I know first hand how overwhelming it can be to find funds. If it were not for financial assistance like Pell Grants, TSAA, and FFELP loans, I would not have been able to attend. I am a testament to what can be achieved with assistance. If I can pass along that knowledge to someone else just like me, I feel fulfilled.*

## Financial Aid Question & Answer

**Q:** What's considered state residency or citizenship for purposes of the Tennessee Education Lottery Scholarship (TELS)?

**A:** A student must be a TN resident as defined by the Chapter 0240-2-2 (<http://www.state.tn.us/sos/rules/0240/0240-02/0240-02-02.pdf>) regulations promulgated by the enrollment or application deadline date (September 1<sup>st</sup>). A student must be a US citizen or eligible non-citizen. A citizen is defined as a person entitled by birth or naturalization to the protection of a particular state and one who is permitted to vote and enjoys other privileges there. This is also defined in the TELS Policies and Procedures Manual (page 5 of 26).

## TSAC Pays 1% Federal Default Fee on Behalf of Borrowers

**T**he Tennessee Student Assistance Corporation understands the importance of providing the best opportunities for students in Tennessee. With the rising cost of education, it has become even more imperative that we help students achieve their final goal-graduation. As a financial aid administrator, you will have the task of seeking out avenues that will provide adequate funds for your students. TSAC would like to help you in that endeavor.

TSAC constantly reviews the industry and our role as a part of it. With the approval of the College Cost Reduction and Access Act, it has become more evident that we need to play an active role in helping students and parents. As a state agency, we are committed to helping students achieve their educational goals as simply as possible.

Toward that goal, we would like to announce that for loans guaranteed on Mar. 1 and continuing through the 2008-09 academic year, TSAC will be

paying the one percent Federal Default Fee in its entirety on behalf of borrowers. In an effort to recognize how busy schools can be, the fee will be applied to all schools regardless of cohort rate, retention rates, level of participation in FFELP (Unsubsidized and Subsidized Stafford, Grad PLUS and Parent PLUS loans), or regardless of what lender the borrower chooses.

Levis Hughes, Associate Executive Director of Loan Administration at TSAC, said the decision to pay the fee resulted from the amount of students that would benefit. "We had two goals in making this decision," he said. "We wanted our implementation at the schools to be as easy as possible and in the process save students millions of dollars."

By introducing this waiver, TSAC will help borrowers save over \$7 million for the next school year. TSAC is honored to be a guarantor and will continue to look for ways to assist students in achieving their educational goals. This truly is a benefit for all TSAC borrowers.

## New Outreach Initiative

As many of you already know, last August TSAC hired four new outreach specialists to educate students and parents across Tennessee about the attainability and affordability of postsecondary education. From the beginning of the school year until the end, the goal of our outreach specialists has been to focus solely on high school and middle school students and

parents. As the semester comes to a close, we would like to shift our focus to postsecondary retention. TSAC would like to be a part of your institution's orientation or freshman seminar in order to talk to freshman students and parents about the transition to college and the qualifications required in retaining the HOPE scholarship. Although we will be visiting

you soon, please contact your local outreach specialist or email Jason Seay ([Jason.Seay@state.tn.us](mailto:Jason.Seay@state.tn.us)) with more information regarding your campus' program targeting entering freshman students.

## Legislative Update

**T**ennessee legislators have introduced nearly 60 new bills pertaining to the Tennessee Education Lottery Scholarship (TELS) program or other matters relevant to student financial aid. The new bills are designed to provide channels of financial assistance to a wide variety of people. The bills will also help more students have the opportunity to attend college by changing the eligibility requirements. The final bill introduction deadline has not passed during the time of this report, and more introductions are expected to follow.

Some of the significant new bills introduced in 2008 by the General Assembly could provide the following advantages:

- Relax the G.P.A. requirements and allow students extended probationary periods while allocating new criteria for continued eligibility
- Provide additional need-based programs
- Set a higher threshold for the Adjusted Gross Income (AGI), which could expand supplemental award programs including the ASPIRE and HOPE Access Grants.
- Create ASPIRE work-study programs in which participants could tutor, mentor, and assist elementary and secondary students in improving academic performance.
- Redefine eligibility requirements for home-schooled students.
- Lower the age requirement for nontraditional students as well as establish a reclamation program for students at least 25 years of age who enroll in an eligible postsecondary institution as a freshman, sophomore, or junior.
- Add additional loan forgiveness programs.
- Create several new grant programs which would provide educational opportunities for Iraq and Afghanistan veterans, law enforcement officers, firefighters, and civic education and good citizenship scholarship.

A complete list of the bills currently being tracked by TSAC during the session of the 105th Assembly is listed on TSAC's website at [www.CollegePays TN.com](http://www.CollegePaysTN.com).

## Internship Program Provides Hands-On Experience

The recruitment process for school counselors and post-secondary institutions to participate in the High School Counselor Internship Program began Feb 1 in preparation for the upcoming summer program. The program is a joint effort between TSAC and TASFAA to provide an opportunity for high school counselors to learn about financial aid administration and gain hands-on experience working in a financial aid office. High school counselors who have participated in the program have spoken highly of the institutions who have served as their host as well as to the internship experience as a whole.

School counselors and post-secondary institutions can obtain an application for this program by visiting TSAC's website at [www.CollegePaysTN.com](http://www.CollegePaysTN.com). School counselors are required to attend a training workshop before their work assignment can begin. Please share this information with high school counselors in your area and consider being a host institution for this great program. If you have questions or would like additional information about the High School Counselor Internship Program, contact Darolyn Porter (TSAC) at [Darolyn.Porter@state.tn.us](mailto:Darolyn.Porter@state.tn.us), or Crusie Lucero (TASFAA) at [cmlucero@northeaststate.edu](mailto:cmlucero@northeaststate.edu).